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## PSC TO HOLD HEARING MAY 31 ON ENERGY WEST RATE HIKE PROPOSAL

Energy West Montana's request for increases in natural gas rates will be the subject of hearings to be held by the Public Service Commission Wednesday, May 31, in Great Falls.

The technical hearing will begin at 9 a.m. in the City Commission chambers in the Civic Center, 2 Park Drive South. An evening hearing to obtain public comment is scheduled for 7 p.m. at the same location.

The pending request for rate increases to produce an additional \$2.9 million in annual revenue was filed by EWM last October in its annual "gas tracker" procedure, which the company files each year in order to adjust rates to reflect the cost it pays for natural gas.

EWM proposed to increase rates by approximately 20 percent for Great Falls residential customers and large commercial customers and by 18 percent for small commercial customers. Rates for EWM's residential customers in West Yellowstone are proposed to increase by 9 percent and by 11 percent for commercial customers. In December the PSC granted EWM's request for a temporary rate increase of \$1.2 million while this case is pending, which resulted in an 8-percent rate hike for most residential customers and an increase of 7 percent for small commercial customers.

According to the company, the rate hike request was prompted by under recovery of its gas costs. EWM claimed that warmer-than-normal weather, a delay in the implementation of the previous rate increase, increased gas commodity prices, and the proposed increase by Montana Power Company for use of its pipeline system all contributed to the need for an increase.

The hearing will be conducted by Public Service Commissioner Bob Anderson who said, "Customers of Energy West are encouraged to attend the evening hearing and help the Commission understand the facts of the case."

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